(b) whether Government noted the fact that huge amounts of public money are invested in Visakhapatnam Steel Plant;

(c) whether any assessment has been made of the long term impact by opening up the Indian market to foreign steel companies; and

(d) if so, the details of this assessment?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) to (d) Visakhapatnam Steel Plant being equipped with the State-of-the-Art Technology is capable of producing steel at internationally competitive quality and prices and as such, has no problem in facing the international competition.

It is a fact that Visakhapatnam Steel Plant has been set up with a very heavy investment viz. the present cost estimates is Rs. 8529.13 crores. However, the performance of the plant has recorded a marginal cash profit of Rs. 55 crores (prov.) for the year 1994-95 and is expected to be a net profit earner by 1997-98.

Sick mini steel plants

8434. SHRI V. RAJAN CHELLAPPA: Will the Minister of STEEL be pleased to state:

(a) whether sick steel plants have been demanding transport subsidy;

(b) whether it is a fact that Government is considering revival of sick mini steel plants; and

(c) if so, the steps proposed to extend transport subsidy to mini steel plants?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) No, Sir.

(b) and (c) While there is no proposal at present to extend transport subsidy to sick mini steel plants (Electric Arc Furnace Units), Government had, with a view to improve the performance of these units, reduced the import duty on steel melting scrap from 12.5 per cent to 5 per cent. State Governments have also been advised to consider supplying uninterrupted power to these units, at concessional rates.

In addition, Office of Development Commissioner of Iron & Steel has set up a "Core Group" to assist those of the units which are interested, in drawing up revival strategies.

Iron ore Supply to Indian Steel Industry

8435. SHRI V. RAJAN CHELLAPPA: Will the Minister of STEEL be pleased to state:

(a) whether Government will review iron ore supply to Indian steel industry;

(b) whether it is a fact that no study has been done of availability of iron ore over the next decade for Indian steel industry; and

(c) if so, the steps proposed to reserve good iron ore mines for Indian steel industry?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) The Ministry of Steel had constituted a Task Force on iron ore in 1991 to inter-alia assess the likely demand and availability of iron ore in the country upto the year 2000 A.D.

(c) Exports of iron ore are made keeping the requirements of the Indian steel industry in view.